

IRS News Release

Media Relations Office

Washington, D.C.

Media Contact: 202.622.4000

www.irs.gov/newsroom

Public Contact: 800.829.1040

E-File Returns Running at Record Pace

IR-2007-74, March 30, 2007

WASHINGTON — The Internal Revenue Service announced today that taxpayers are continuing to electronically file their tax returns at a record pace, up almost 6 percent from the same period last year.

“Taxpayers can rely on e-file as a safe, accurate way to quickly finish their taxes and get a refund,” said IRS Commissioner Mark W. Everson. “We encourage people to consider e-file and Free File as the tax deadline approaches. For those who haven’t filed, they should make sure to request the telephone excise tax refund if they are eligible.”

According to the new filing season statistics for the week ending March 23, 2007, one of the biggest areas of growth is in returns electronically filed from home. Self-prepared e-filed returns have grown more than 8 percent from last year. E-filed returns from tax professionals have climbed almost 5 percent.

So far this tax filing season, almost 72 percent of all returns have been e-filed, compared to 68 percent for the same period last year. As of last Friday, 29 percent of e-filed returns were filed by people using their home computers, up from 28 percent of e-filed returns for the same period last year.

Also, more people than ever before are opting to have their refunds directly deposited. So far this year, the IRS has directly deposited almost 45 million refunds, or 71 percent of all refunds issued this tax filing season, up from almost 69 percent of the total for the same period last year.

People are visiting the IRS Web site at IRS.gov in record numbers. The IRS has recorded more than 97 million unique visits to IRS.gov this year, up from about 89 million for the same period last year, an increase of almost 9 percent.

Meanwhile, this year’s filings still show that about three in 10 tax returns are not requesting the one-time telephone tax refund. Although some of these taxpayers may not be eligible, others may qualify and not know it. The IRS urges taxpayers to check their eligibility for this special refund by visiting the Telephone Excise Tax Refund section on IRS.gov.

The government stopped collecting the long-distance excise tax last August after several

—More—

federal court decisions held that the tax does not apply to long-distance service as it is billed today. Federal officials also authorized a one-time refund of the 3 percent federal excise tax collected on service billed during the previous 41 months, stretching from the beginning of March 2003 to the end of July 2006. The tax continues to apply to local-only phone service.

Of those requesting the telephone tax refund, 99 percent are choosing the standard amount, and the rest are basing their request on the actual amount of tax paid. The standard amount ranges from \$30 to \$60 and is based on the number of exemptions taxpayers are eligible to claim on their return. Alternatively, taxpayers can request a refund based on the tax shown on their phone bills and other records.

Taxpayers can request the telephone excise tax refund, as well as file their entire tax return electronically, for no cost using the IRS's Free File program. Seventy percent of Americans are eligible for the Free File program because they earn an adjusted earned income of \$52,000 or less. Free File can only be accessed through IRS.gov. Once on the home page, click on "2007 Free File" and follow the directions.

—30—

Attachment: Filing season statistics to date

2007 FILING SEASON STATISTICS

Cumulative through the weeks ending 3/24/06 and 3/23/07

Individual Income Tax Returns	2006	2007	% Change
Total Receipts	73,438,000	74,150,000	1.0%
Total Processed	69,196,000	70,529,000	1.9%
E-filing Receipts:			
TOTAL	50,296,000	53,145,000	5.7%
Tax Professionals	36,268,000	37,942,000	4.6%
Self-prepared	14,028,000	15,203,000	8.4%
Web Usage:			
Visits to IRS.gov	89,246,000	97,102,000	8.8%
Total Refunds:			
Number	61,660,000	62,951,000	2.1%
Amount	\$144.513 Billion	\$152.801 Billion	5.7%
Average refund	\$2,344	\$2,427	3.6%
Direct Deposit Refunds:			
Number	42,252,000	44,779,000	6.0%
Amount	\$113.414 Billion	\$124.101 Billion	9.4%
Average refund	\$2,684	\$2,771	3.2%